FINANCE SECRETARIAT

Prescribes the Calendar for Budget Work, 1965-66

ORDER No. FD 64 BUD 64, DATED BANGALORE, THE 6TH JULY 1964.

The attached Calendar for regulating the Budget work for 1965-66 is approved. The object with which an interval is allowed for several items of work is to secure an even flow of work in the Finance Department (Budget) and thus avoid rush of work in the last stages. Estimating officers are requested *not* to take up the entire interval but to see that **top priority** is given to the Budget work and that returns are sent direct to the **Budget Section** of the Finance Department addressed to the Under Secretary to Government, Finance Department (Budget) by name as soon as they are completed without waiting for the prescribed date.

2. All estimates are to be framed with the greatest possible care and with particular regard to *sanctions* and *actual requirements*. Those relating to receipt heads should aim at forecasting the realisable result as closely as possible; and those relating to expenditure heads—Revenue and Capital—should be limited to the minimum requirements keeping in view the measures to enforce strict economy in expenditure on account of the present emergency.

3. Only such sanctions to establishment and other recurring charges as are communicated on or before 1st September 1964 may be ordinarily taken into account in framing the expenditure estimates. But a list of fresh sanctions should be sent to the Finance Department as on 1st January 1965, immediately after that date as in the previous years.

4. The Budget year 1965-66 is the last year of Third Five-Year Plan. It has come to the notice of Government that certain items of expenditure which ought to have been brought within the "Plan" have either been included under 'Normal' or have been omitted in the Budget for 1964-65. If provisions are required to be included for such items in the Plan Budget for 1965-66, they may be specifically indicated in a separate statement showing the relevant places where they have to be exhibited in the Plan Budget, provided the approval of the Planning Department has already been obtained for the change or for inclusion of the items within the Plan Ceiling fixed for the year.

5. In giving details, such of the schemes not included in the Budget of 1964-65 and which come under the definition of "New Service" should be indicated separately, so that Finance Department could bring these specifically to the notice of the Legislature. It is likely that some of the normal schemes may be brought within the Plan though they are not contemplated in the Plan Programme. Details of such schemes should also be furnished separately. The expenditure estimates as a whole will be finalised in the Finance Department after incorporating the several provisions for State Plan Schemes and the Centrally sponsored Schemes as fixed above.

6. The Estimates should not be sent piecemeal. The Heads of Departments and Divisional Commissioners should forward only **ONE SET** *of consolidated estimates* in the prescribed printed forms to the Finance Department (Budget) in a *complete manner*. The Heads of Departments including Divisional Commissioners should make special arrangements well in advance for obtaining information from the subordinate officers. In spite of allowing sufficient time and repeated instructions

from time to time, the Finance Department experienced much difficulty, even while framing Estimates of 1964-65 as the Departments went on proposing alterations even after the Estimates were finalised in the Finance Department.

7. In a few other cases the Heads of Departments and other Estimating Officers had simply forwarded, without proper scrutiny, copies of estimates received from their subordinate officers which were *prepared in manuscript in different forms and in varying sizes as in previous years.* It should be noted that the work of consolidation of the estimates received from the subordinate officers after scrutiny is the *responsibility* of the Chief Controlling Authority who has to exercise control over the estimated expenditure of the entire department. Otherwise any omissions of provisions for any of the items would be the responsibility of the Chief Controlling Authority concerned. Proper instructions may be issued to the subordinate estimating officers under their control in this regard.

8. The subordinate officers are still in the habit of either forwarding estimates direct to the Finance Department without routing them through their Heads of Departments or of endorsing copies of estimates sent by them for information of Government in spite of repeated instructions to refrain from doing so. It must be clearly understood that the Finance Department will not take cognizance of such data furnished directly by subordinate officers. *The Heads of Departments may issue strict instructions to their subordinate officers in this behalf. In future, subordinate officers should not endorse copies of the Estimates to the Finance Department direct, even for information.* Each Head of the Department has to see that the work of consolidation of the estimates received from their subordinates in the prescribed standard forms is done and *only such consolidated estimates pertaining to his department are sent to Finance Department (Budget) on or before the due dates fixed.* It may be noted that any estimates received after the due dates will not obviously be considered and the Departments will be responsible for omissions as a result of such belated proposals. Any delay in the forwardal of the estimates beyond the due dates prescribed will be brought to the notice of the concerned Ministers.

9. It was decided that with effect from 1963-64, a list of *New Items* of expenditure should be printed separately as an Appendix to the Budget Memorandum. The decision could not be implemented for want of full particulars in respect of such items though a separate Official Memorandum (No. FD 218 BUD 60, dated 20th September 1961) was issued for furnishing the information in the prescribed form (*vide* Annexure III). It is, therefore, necessary for the Heads of Departments to furnish detailed explanatory note for each item as may be treated as an item of New Expenditure in accordance with the definition given in the Annexure I. Such items should be clearly indicated both in respect of expenditure proposed within the Plan and outside the Plan separately in the form prescribed in Annexure III. The acceptance of any of the items referred to will depend upon the resources available after providing for all Committed Items and Schemes already sanctioned and in progress. It is, therefore, very necessary that proper priority should be fixed for the New Items of Expenditure. In view of the need to find resources for the implementation of Plan Schemes, it will not be generally possible for the Finance Department to give priority for Non-Plan Schemes. In the present emergency where there is need to enforce strict economy in expenditure, the Heads of Departments should not ordinarily propose any scheme or include provision for expenditure outside the Plan unless the same is committed or a particular work is already in progress or is of an emergent nature that it has to be provided for.

10. In spite of issue of clear instructions in regard to 'New Items' of expenditure, most of the Heads of Departments did not furnish the particulars in the prescribed form, thereby making it impossible for this Department to implement the

recommendation of the Public Accounts Committee. While reviewing the action taken by Government on their recommendations, the Committee took serious notice of such a lapse on the part of the Heads of Departments and it is, therefore, necessary to print the list of 'New Items' at least in the Budget Memorandum of the year 1965-66, lest the Committee may make serious observations on the lapse of Government in implementing their recommendations. There has been inordinate delay in furnishing these estimates in previous years and this should be avoided. Unless sanctions are quoted, no provision will be included even though they are indicated as works in progress.

11. In respect of Works Expenditure, particular attention is invited to Official Memorandum No. FD 11 BPL 59, dated 30th May 1959 and the Heads of Departments will keep in view the instructions contained therein which still hold good. A copy of the said O.M. is also appended to this calendar (*vide* Annexure II). The Chief Engineers will please take action to forward the Public Works Estimates to the Finance Department strictly within the due dates. Proper instructions may be issued by them to the concerned officers under their control to furnish necessary data for the preparation and consolidation of the Estimates.

12. In the consolidated Budget Estimates, the totals of major heads will be worked to thousands of rupees and those of minor heads to hundreds of rupees. In fixing the provision under individual heads of account, the provisions will have to be rounded to the nearest hundreds. This has to be kept in view in preparing the Revised and Budget Estimates at all stages.

13. The Director of Printing, Stationery and Publications is requested to treat all Budget work as urgent and return the Budget sheets on the dates prescribed by the Finance Department. The Director is personally responsible to see that no delay occurs at any stage in the Press and that the Budget work is given the highest **priority.**

14. Separate detailed instructions regarding preparation of Appendix B Estimates, Revenue and Expenditure Estimates are being issued as usual. In the meanwhile the Heads of Departments and other Estimating Officers will please arrange to get the material ready for these estimates.

15. Government desire to impress on all Heads of Departments, Chief Engineers and Divisional Commissioners that it is their duty to pay special attention to Budget work and *to see that the time limits prescribed are strictly adhered to* so that the work in the Budget Section of the Finance Department is not held up at any stage for want of information from the departments.

By Order and in the name of the Governor of Mysore,

N. S. BHARATH,

Budget Officer and Ex-officio
Deputy Secretary to Government,
Finance Department.

CALENDAR FOR BUDGET WORK, 1965-66.

14th September 1964.

Preparation by Estimating Officers of detailed estimates regarding fixed charges (Pay of Officers, Pay of Establishment, Allowances and Honoraria, Grants-in-aid, Scholarships, etc.), and submission of these estimates to the Finance Department (Budget Section) in the forms to be supplied.

The schedule showing Revised Scales of Pay in the several Departments of Government in Appendix "K" will have to be returned after verification and proposing additions or alterations thereto according to individual sanctions which have to be quoted invariably.

21st September 1964 to 12th October 1964.

2. Transmission by the Finance Department of the details of the fixed charges received from the departments to the Audit Sections of the Office of the Accountant General for verification of the estimates.

Return of these estimates from the Audit Sections to the Finance Department with memos of alterations, if any.

In the case of estimates relating to departments like Education, Food Supplies, etc., where separate Accounts Officers are sanctioned, the Estimating Officers will prepare the details in consultation with the respective Accounts Officers.

19th October 1964 to 16th November 1964.

3. Fixation by the Finance Department of the estimates relating to the fixed charges taking into consideration the alterations, if any, proposed by the Accountant General in consultation with Administrative Secretariat, wherever necessary.

19th October 1964.

4. Forwardal to Chief Engineer (General), Chief Engineer, Communications and Buildings, Chief Engineer, Irrigation Projects, Special Chief Engineer, Sharavathi Valley Project (Civil) and Chief Engineer, Hydro-Electric Construction Projects, of the sheets relating to works (Appendix E).

Forwardal to the Director of Public Instruction in Mysore, Bangalore, of the sheets relating to Appendices C, D and H.

Forwardal of sheets relating to Appendix 'G' to the Estimating Officers concerned.

Forwardal of sheets relating to Appendix 'I' to the Commissioner of Endowments in Mysore, Bangalore.

Forwardal of the sheets relating to Appendix "J" to the Director of Public Health in Mysore, Bangalore.

Forwardal by the Accountant General to the Finance Department of the actuals for 1963-64 relating to Revenue, Expenditure and Works portion pertaining to Electrical and Public Works Departments and Ways and Means Section.

5th November 1964.

5. Return of the Consolidated Abstracts for 1964-65 by the Accountant General furnishing the actuals for first six months from 1st April 1964 to 30th September 1964. (The Revenue Abstracts to be received back with figures by 31st October 1964).

Forwardal to the Estimating Officers of the Revenue Sheets. The Departments will prepare these estimates on the basis of the actuals for the first six months of the current year according to their books and the actuals of the preceding three years 1963-64, 1962-63 and 1961-62.

9th November 1964.

6. Forwardal of blank forms of Expenditure sheets to the Estimating Officers. The Departments should prepare these estimates on the basis of actuals of first six months of the current year and the actuals of the preceding three years 1963-64, 1962-63 and 1961-62. The estimates regarding the following heads will be prepared and forwarded by the Accountant General so as to reach the Finance Department before 23rd December 1964 :—

(1) 16 Interest on Debt and other obligations.
(2 65 Pensions and other Retirement Benefits.
(3) 66 Territorial and Political Pensions.
(4) 67 Privy Purses and Allowances of Indian Rulers.
(5) 71 Miscellaneous (Part).
(6) 72 Commutation of Pensions.
(7) 120 Payments of Commuted Value of Pensions.

23rd November 1964.

7. Return by the departments of the Revenue Estimates duly framed.

The estimates under certain heads of the following Major Heads of Revenue will be prepared by the Accountant General and transmitted to the Finance Department by the above date :—

XVI Interest.
XLVIII Contributions and Recoveries towards Pensions and other Retirement Benefits.
LII Miscellaneous.

7th December 1964.

8. Return by the departments of the Expenditure Estimates duly framed. Forwardal of estimates relating to Appendix E pages by Chief Engineer (General), Chief Engineer, Communications and Buildings, Chief Engineer, Irrigation Projects, Special Chief Engineer, Sharavathi Valley Project (Civil) and Chief Engineer (H.E.C.P.) and Appendices C, D and H pages by the Director of Public Instruction and Appendices G, I and J by the Estimating Officers concerned with columns duly filled in.

Forwardal of eight months' actuals by the Accountant General for verification of Revised Estimates fixed on the basis of six months' actuals earlier.

14th December 1964.

9. Finalisation of estimates relating to works of the Public Works and Electrical Departments.

23rd December 1964.

10. Preparation by the Planning, Housing and Social Welfare Department of the Plan Programme for 1965-66 in consultation with Heads of Departments concerned.

7th December 1964 to 4th January 1965.

11. Finalisation of the Expenditure Estimates in consultation with Administrative Secretariats wherever necessary.

23rd December 1964 to 4th January 1965.

12. Forwardal of the sheets relating to (1) Public Works and Capital Estimates to the departments concerned; (2) transactions under Depreciation Funds, etc., and preparation and return of these estimates by the departments to the Finance Department.

Estimates regarding Loans and Advances and Ways and Means will also be dealt with at this stage in consultation with the Accountant General.

18th January 1965.

13. Finalisation by the Finance Department of the Plan Outlay for 1965-66 by Budget Heads.

By 27th January 1965.

14. Preparation of Group and Major heads, Abstract Estimates, Ways and Means, preparation of the Council Note, Budget Memorandum, etc. The Ways and Means Estimates will be verified by the Accountant General.

1st February 1965 to 8th February 1965.

15. Finalisation of Budget proposals by Government.

15th February 1965.

16. Forwarding of Budget Proofs to the Press with final print order.

25th February 1965.

17. Completion of printing and despatch of printed copies to Government by the Director of Government Printing.